

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**RE: PETITION OF BAY STATE GAS COMPANY  
FOR APPROVAL OF REVISED TARIFFS**

**DTE 05-27**

**PETITION TO INTERVENE OF LOCAL 273, UTILITY WORKERS UNION OF  
AMERICA, AFL-CIO**

Local 273, Utility Workers Union of America, AFL-CIO (“Local 273”) hereby petitions to intervene in the Department’s investigation into the petition filed by the Bay State Gas Company for approval of revised tariffs and other rate modifications. In support of this motion and in accordance with 220 CMR 1.03 and G.L. c. 30A, § 10, Local 273 states:

1. Local 273 is located in Brockton, Massachusetts. It has no physical office but maintains a mailing address at 132 Ferncrest Drive, Taunton, MA 02780. Local 273 is currently the collective bargaining agent for approximately 200 physical and clerical workers of the Brockton division of Bay State Gas Company (“Bay State” or “Company”), representing a decline of approximately 60 physical and clerical workers from the levels prevailing as recently as 1997.
2. Approximately 90% of the members of Local 273 reside in Bay State’s service territory, and most of those are Bay State customers. As customers, they are personally, substantially and specifically impacted by the Company’s proposal to increase base rates approximately \$25 per

year for non-heating customers and approximately \$50 per year for heating customers. Those Local 273 members who are also customers of the Company will bear the burden of paying higher rates to the extent any rate increase is allowed.

3. As the collective bargaining agent for approximately 200 Bay State employees, Local 273 is substantially and specifically impacted by Bay State's petition for approval of revised tariffs. Local 273 has experienced substantial declines in its membership as Bay State has reduced its staffing levels by approximately one-third over the past several years, both among union and non-union positions. Local 273 contends that these cut-backs have adversely impacted service quality for consumers, increased safety risks for workers and the public, and impeded the Company's ability to properly maintain its system.
4. The Department has allowed Local 273 to intervene in a number of the Company's prior cases, including DPU 97-24, DPU/DTE 97-97, and DTE 98-31. One of those proceedings, DPU/DTE 98-31, was the Company's merger proceeding which established the five-year rate freeze that recently expired in November 2004, as noted in the direct testimony of Bay State's president Steve Bryant (Exh. BSG/SHB-1, p. 2-12). DPU/DTE 97-97 was also a rate-related proceeding. There is thus ample precedent for allowing Local 273 to intervene in Bay State's rate hike cases.
5. Local 273 intends to conduct discovery; cross-examine the Company's witnesses; file briefs; and potentially offer its own direct testimony on the following issues:
  - the extent to which Bay State's "SIR" (steel infrastructure replacement) program is, in whole or in part, the result of imprudent disinvestment in necessary infrastructure improvements during the late 1990s and early years of the present decade, or the result

of imprudent failure to maintain and replace aging pipe in prior years;

- the extent to which there will be adequate mechanisms to ensure that the Company prudently, promptly and fully expends any funds the Department may approve for the SIR program;
- the meaningfulness of the test year expenditures, particularly whether the test year figures are unduly or improperly inflated due to abnormally high spending during that year;
- whether Bay State's parent company, NiSource, has unduly and imprudently depleted human and other resources devoted to serving Massachusetts customers;
- whether expenses of the NiSource Corporate Services Company are being improperly allocated to Bay State customers;
- whether Bay State is entitled to the rate of return being sought;
- whether the compensation of Bay State and NiSource executives charged to Bay State customers is excessive;
- whether the Company has failed to maximize opportunities to expand sales, which would help it spread fixed costs over a larger base of customers and therms sold;
- whether the Company has improperly impeded delivery of mandated energy efficiency programs to its low-income customers;
- whether the Company is fully in compliance with the Department's billing and termination regulations;
- whether the Company offers its customers, especially its low-income customers, adequate means and options for paying their bills; and
- whether the Company's request to recover unrecovered investment in the Metscan metering system should be denied, in whole or in part, due to imprudence.

6. At this early stage of the proceeding, Local 273 states its general contention that Bay State is not entitled to the full amount of the rate hike it seeks and reserves the right to make more

specific contentions when it files its post-hearing brief.

7. As noted above, many of the members of Local 273 reside in the service territory of Bay State and have an interest in the present proceeding as ratepayers. Further, its members have unique experience and knowledge of the Company's operations. Local 273's intervention will provide the Department with information that it would not otherwise obtain in this proceeding. Local 273's intervention will help inform the Department's final determination in this proceeding.
8. Local 273 cannot specify, in advance of hearings, the precise relief it seeks but generally seeks an order that appropriately addresses the issues listed in ¶ 5 above.
9. (a) Local 273 has contacted the Office of the Attorney General, which Office fully supports the petition to intervene of Local 273.  
  
(b) Local 273 has contacted the petitioner-intervenor United Steelworkers of America, which has no objection to the petition to intervene of Local 273.  
  
(c) Local 273 has contacted the Company, which did not object to filing of the petition but reserved its rights pending review of Local 273's petition once it is filed.
10. Local 273 reserves the right to file a legal memorandum in support of this petition to intervene, should Bay State or any other party object to its intervention.

For the reasons presented above, Local 273 asks the Department to grant its petition to intervene.

Respectfully Submitted,

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